

A genius at surviving, UAW's Majerus says

AMC called a 'miracle company'

By Marjorie Sorge
Labor Editor

DETROIT.—American Motors Corp. is a "miracle company," and would have pulled something out of its hip pocket to survive had it not reached an agreement with Renault, said UAW Secretary-Treasurer Raymond Majerus.

"They have been miracle people in staying alive and the union has been a great partner with them in that effort," said Majerus, who also is director of the union's AMC Department. "I don't think they would have folded without Renault. They would have found some way to limp along."

"They've always come up with the new car at the right time. When they were really down they came up with the Rambler, then the Ambassador and then they came up with the Pacer and now the Eagle, Concord and Spirit. Their genius is in putting together new cars, when a new car is needed, with old equipment."

In an interview with AUTOMOTIVE NEWS, Majerus also said the UAW is now spending more money than it is taking in and isn't sure when the situation will settle down. He said the union is studying the problem and is forecasting it will be continuous because it will take the industry several years to turn around.

"We are still in excellent financial position," he said. "There is no jeopardy to our general fund or strike fund but it is a worry we need to take into account."

He also said the UAW would have helped AMC if the situation had become that critical, but not in the same way it helped Chrysler.

"Chrysler wasn't used to being on the bottom end of the stick and fighting for survival and AMC was used to it," he said.

• AMC had also been romancing Volkswagen, Toyota and Datsun and others before the Renault agreement, Majerus said.

"This is not a new thing for

them and I think they had some second bets and had their bets hedged someplace," he said. "They never got uncomfortable about staying in business and staying in the marketplace."

Innovation and ingenuity in making the models look like new cars on a very minimum budget has saved the company, he said.

Renault's role at AMC has been felt in the last two bargaining rounds, Majerus said. Although the French firm was not an active participant, it acted as a silent partner, overseeing the negotiations, and the Renault influence has always been felt, he said.

Renault was concerned with the length and continuity of the agreements plus other points, such as no arbitration, the seniority arrangement, which allows bumping, and voluntary overtime.

Although Renault was not a big stockholder in the round of negotiations concluded last September, Majerus said it was no secret it would be pouring more money into the American firm but the union was "surprised" it happened so quickly.

Majerus predicted AMC will in turn surprise the industry and get a bigger share of the market and could double its penetration with the Renault/AMC joint car. Currently, AMC is getting about 2.25 percent.

"They (AMC) are excited about the arrangement and it is going to strengthen that company, a great deal," he said. "It will strengthen the worker's lives too."

• The UAW has also bargained a seat on the AMC board of directors in this round if it can get Justice Department approval. There is a question over the possible conflict of interest that could develop because UAW President Douglas A. Fraser sits on the Chrysler board of directors. Fraser, however, is not the likely choice for the AMC board, observers say. The nod would probably go to Majerus.

Currently, the union has submitted its position papers to the Justice Department and the Na-

tional Labor Relations Board has dismissed charges by a New York resident that Fraser's Chrysler board seat will interfere with good-faith bargaining between the union and the company.

Majerus said the union is pushing to get the decision by February, when AMC holds its annual stockholders meeting.

Getting a labor representative on the AMC/Renault board will "strengthen the relationship between the French union and the UAW," he said. Currently the union has strong ties with the Japanese and German unions and "has a great relationship" with Volvo and the Swedish unions, according to Majerus.

Labor observers have said that the introduction of a world car will ultimately lead to a world union.

"I am sure there is no question that the best arrangement would be to have a world union and that is a lot closer now than it was 25 years ago, and 25 years from now there probably is going to be a lot more going for it than that," Majerus said. "There is already a mechanism to set it up, the machinery is available and it does function. In many respects there is a great line of communication between the Japanese auto workers, the German auto workers, the French auto workers and the United Auto Workers. It is a question of coordinating the efforts."

There are no longer the problems of time, language barriers and who is going to get the most out of the system, he said. There are still some bridges to be crossed but that won't be the same problem it was 10 years ago, he said, indicating technology would be a contributing factor.

• The UAW has also been looking into possible mergers with the Machinists Union and the United Rubber Workers. Many have said the merger possibilities are coming because the unions are hurting financially as more people are laid off, which cuts the unions' dues and its operating capital.

"We've suffered a great deal of loss of income during the last several months by reason of the layoffs," Majerus said. "But it hasn't settled down enough yet so we can make a decision on where we are. We had a substantial payment of per capita last month but that resulted from people who haven't paid their per capita in previous months. It doesn't represent any income."

The UAW is operating below the expenses of the union, spending more than it is taking in, and isn't sure where it will settle down, he said.

The union will also lose money from people paying SUB fund dues when their respective SUB payments run out in the near future and layoffs are edging further and further into the parts depots.

"We don't really have a good fix on where we are in terms of membership income and financial matters," Majerus said. "We have a lot of lost income and are cutting expenses where we can."

Cuts could include payroll, travel, and other areas, but Majerus emphasized the UAW is still in "excellent financial position."



Camaro package includes insurance

This Camaro convertible, by American Convertible Corp., Fort Lauderdale, Fla., is billed as a traffic builder for new-car dealers. It retails for \$16,000. American Convertible offers product liability insurance to participating dealers.

Chrysler only U.S. maker to chalk up sales increase

By Jenny L. King
Staff Writer

Early November domestic new-car sales slipped 7.41 percent as the U. S. auto makers struggled to bolster the softening market only one month after introduction of their 1981 models.

Sales totaled 163,702, down on a year-to-year basis from 176,810, but up 4.16 percent on a daily rate basis. There were eight selling days this year with an average of 20,463, compared with nine days a year ago with an average of 19,646.

Sales since the first of the year were down 21.77 percent, to 5,741,280 from 7,339,027.

Chrysler was the only domestic auto maker to report a sales increase. Its sales rose 5.42 percent, to 14,843 from 14,080 (up 18.61 percent on a daily-rate basis). General Motors sales dipped 2.57 percent, to 105,123 from 107,900 (up 9.60 percent daily rate).

Ford sales dropped 18.62 percent, to 38,451 from 47,250

Ford to produce new 4-cylinder engine at Lima, O.

DEARBORN. — Ford Motor Co. will manufacture a new, fuel-efficient 2.3-liter four-cylinder engine at its Lima (O.) Engine Plant with major components to be produced at Cleveland Engine Plant No. 2 in Brook Park.

John A. Betti, vice president - Powertrain and Chassis Operations, said the principal reason Lima was selected is that "the new 2.3-liter engine has been designed to make maximum use of certain existing six-cylinder manufacturing tools and facilities, and we can bring it on-stream more quickly at Lima than at any of our other engine plants."

He also said that sourcing the new 2.3-liter engine at Lima will enable the company to maintain employment levels as anticipated production volumes are adjusted between six-cylinder and four-cylinder engines.

Conversion of facilities at Lima for the new 2.3-liter line also will benefit the company's Cleveland Engine Plant No. 2, which has been selected to machine a trio of major components—the crankshaft, camshaft and connecting rods — for the new engine.

(down 8.46 percent daily rate). Volkswagen of America reported sales of 2,285 U. S.-built Rabbits, down 32.40 percent from 3,380 (down 23.82 percent daily rate), and estimated sales of American Motors passenger cars were 3,000, down 28.57 percent from 4,200 (down 19.70 percent daily rate).

• GM's sales earned it 64.22 percent of the early-November market, up from 61.03 percent. Ford captured 23.49 percent, down from 26.72 percent. Chrysler sales accounted for 9.07 percent, up from 7.96 percent. AMC earned 1.83 percent, down from 2.38 percent, and VWoA claimed 1.39 percent, down from 1.91 percent.

Four makes were up for the period on a year-to-year basis. Plymouth pushed 7.60 percent ahead of last year's mark. Dodge was up 18.64 percent, Pontiac inched ahead 0.45 percent and Buick was up a generous 21.21 percent.

Losses among the remaining makes ranged from 2.91 percent for Oldsmobile to 57.72 percent at Lincoln. Chevrolet was down 7.29 percent, Cadillac was down 30.77 percent, Mercury fell 19.89 percent, Ford dropped 12.78 percent and Chrysler was down 19.30 percent.

Chevrolet Citation was the top-selling nameplate in early November, with 8,529 units sold. It was followed by Chevrolet Chevette, 7,951; Ford Fairmont, 7,578; Chevrolet Malibu, 7,278 and Oldsmobile Cutlass Supreme, 6,281. A year ago the top five were: Standard Chevrolet, 8,962; Fairmont, 8,075; Cutlass Supreme, 7,857; Chevette, 7,785 and Citation, 7,774.

DOMESTIC SALES

	Nov. 1-10, 1980	Nov. 1-10, 1979
AMERICAN MOTORS ..	3,000†	4,200†
Chrysler	3,273	4,056
Plymouth	5,505	5,116
Dodge	5,823	4,908
Imperial	242	—
CHRYSLER CORP.	14,843	14,080
Ford	27,172	31,155
Mercury	9,474	11,826
Lincoln	1,805	4,269
FORD MOTOR	38,451	47,250
Buick	21,250	17,532
Cadillac	6,719	8,839
Chevrolet	41,115	44,348
Oldsmobile	20,518	21,132
Pontiac	16,121	16,049
GENERAL MOTORS ..	105,123	107,900
VOLKSWAGEN	2,285	3,380
INDUSTRY TOTAL	163,702	176,810

†—Estimate.

OK Renault deal or go under, AMC tells its shareholders

Continued from Page 2

accounted for 3 percent in 1980, compared with 9 percent in 1979 and 10 percent in 1978. Transit buses accounted for 5 percent in 1980, compared with 18 percent in 1979 and 29 percent in 1978.

AMC described its overall financial position as having "deteriorated" during 1980 due to "substantial losses from operations."

Working capital declined from \$244.2 million at Sept. 30, 1979, to just \$94.7 million at Sept. 30, 1980, attributable primarily to "\$89.7 million in operating losses net of non-cash charges, \$84.3 million of expenditures to improve capabilities and equipment and \$17.8 million of investments and advances to unconsolidated subsidiaries, net of debt and equity investment from Renault of \$60 million," the document said.

• The proxy also disclosed, "Aggregate borrowings increased by

\$183.5 million to \$252.2 million" resulting in "a debt to equity ratio of 85 percent." AMC said at year-end the "quick ratio" had declined to 49 percent and the "current ratio" had dropped to 117 percent.

AMC's export sales "primarily to Asia, Africa and Latin America," were \$421.6 million in 1980, compared with \$350.3 million in 1979 and \$287.6 million in 1978.

The mailing also said AMC retained independent financial advisor Warburg Paribas Becker, Inc., to evaluate the financial fairness of the Renault deal to AMC shareholders other than Renault. WPBI reported that, based on a study of AMC's information, the deal seemed financially fair.

AMC retained Morrow & Co. and D. F. King & Co. to assist in the solicitation of proxies for fees estimated to total about \$60,000.

Automotive World News



Redesigned for Europe

Volkswagen's new Passat, which will debut in late '81 in the U. S. as the Dasher, is heavier, longer, wider and more aerodynamic than its predecessor. Fuel economy is rated at 22.8 MPG in the European urban cycle, 32.6 MPG for the three diesel models.

New Passat/Dasher larger and sleeker

When the original Passat was new in 1973, it was simply a fastback version of the Audi 80 (Fox) from the previous year—a highly up-to-date creation by Ludwig Kraus.

Now the Passat—known as the Dasher in the U. S.—goes into its second generation in Europe a little longer, a little wider and a little heavier. U. S. introduction is scheduled for fall, 1981.

The redesigned body has better aerodynamics, the drag coefficient having been reduced to 0.38.

The engine choice is ever wider. An optional 1.9-liter five-cylinder engine rated at 115 HP comes in at the top end. The 50-HP 1.5-liter diesel continues. The 1.6-liter gasoline engine is available in 75-HP and 85-HP carburetor versions, plus a fuel-injected job rated at 110 HP. At the bottom end, 55-HP and 60-HP (export) versions of the 1.3-liter engine.

Volkswagen offers a new 4+E transmission as an option on the upper-line models. The E stands

for "economy," and the unit is a five-speed gearbox with an extra low 0.686 fifth overdrive.

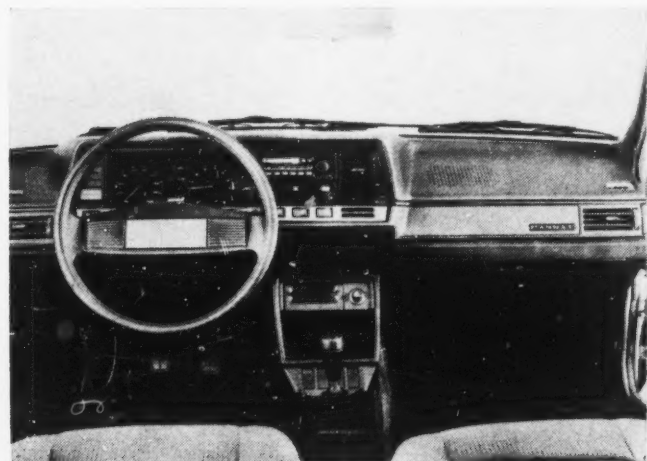
A new gauge with an arrow tells the driver if he can save fuel by shifting up into the next higher gear.

Automatic transmission is restricted to cars with the two most powerful engines.

In the chassis area, the Passat sports a new rear suspension. The former torsion-crank axle has been replaced by a new V-formation rear end with automatic toe-in corrections in the trailing arms (based on the design used on the 1981 Golf, Jetta and Scirocco).

Wheelbase on the new Passat is 100.4 inches, up about 3 inches from the old version; length is 174.6 inches, an increase of almost 6 inches; width, 66.3 inches, an increase of about 3 inches, and weight, (4-door) is 2,095 pounds, up 144 pounds.

Fuel economy in the European urban cycle is rated at 22.8 MPG for the L and GL models and 32.6 MPG for the diesel models.



Inside the Passat

Compact instrumentation is featured in the new Volkswagen Passat (Dasher). A new "4 plus E" transmission has been added on the top lines—"E," for "economy," refers to an extra low fifth-gear overdrive.

Few companies are without them

European makers big on diesels

By Richard Feast
European Editor

At the beginning of the last decade diesel auto production in Europe amounted to 135,000, or roughly 1.3 percent of the total. Only two manufacturers were really interested in the subject, Daimler-Benz and Peugeot.

But the cataclysmic effect of vastly increased energy prices has changed all that—indeed, is still changing it.

By 1979, diesel car production had grown to approximately 740,500, representing 6.5 percent of the continent's output. The vehicle maker without a compression ignition engine in its lineup, or without plans for them in the very near future, was rare indeed.

Early industry estimates for this year were that diesel car output would grow by around 9 percent against an overall drop in production of a similar magnitude.

All of which is good news for fuel injection equipment manufacturers like Lucas CAV and Robert Bosch. Lucas's forecast is that world passenger-car diesel output this year will reach 1.3 million and that within 5 years, one-tenth of all passenger-car output will be diesel-powered.

• The diesel's better consumption is clearly enough to offset the extra cost involved in purchase and the loss in performance. In addition, in many countries the cost of a gallon of diesel is significantly less than a

Europe's leading diesel-car makers

Manufacturer	1979 Production	Pct. of Total
VW-Audi	268,000	16.5
Daimler-Benz	195,467	45.1
Peugeot	146,912	19.4
Citroen	53,684	7.9
Opel	51,533	5.4
Fiat	50,803	4.7
Seat	17,783	6.0
Volvo	13,300	4.4
Ford—Germany	9,912	1.8
Renault	3,565	0.2
Talbot—Spain	3,319	4.5

gallon of gas.

Belgium, Holland, Italy and Sweden are prime examples, though in practically all countries diesel gas is a few cents more. Diesel skeptics point to the fact that pricing is largely at the whim of government tax collectors, and any advantage diesel has in price at the pumps could disappear overnight.

It seems amazing, then, that Europe's largest single diesel car market is West Germany. Almost 185,000 were sold last year, despite the country's comparative wealth, despite the great demand for high performance cars to take advantage of the lack of motorway speed limits, despite the fact that diesel is only a few pennings cheaper than gas.

The country has been a real pioneer of the diesel car, Daimler-Benz having introduced them in the 1930s. It has championed them ever since, as any

person who has been driven in a taxi in the country can testify.

But arguably the real diesel revolution came with the introduction of the Volkswagen Golf (Rabbit) version. Here at last was a small, modern machine with a semblance of performance. The group recently constructed its one millionth diesel car engine, including the six-cylinder versions it sells to Volvo in Sweden.

• The Golf (introduced in 1976) was followed a couple of years later by a direct rival in the Fiat Strada. The Italian group was comparatively late on the diesel scene, but now has a full complement of Strada, Mirafiori and 132 models which are proving notably popular in their country of origin.

Soon after their introduction came some advantageous revisions to the tax on diesel car purchase in Italy—moves which did no harm in stimulating interest in the models.

The picture was really completed a year ago when Renault brought out diesel versions of its 20 sedan. This was followed a few months later by similar versions of the 18, and Renault has shot to the top of the French sales chart for these models.

So, within the past five years three of Europe's largest volume makers—VW-Audi, Renault and Fiat—have joined the club. The Peugeot group, No. 1 in Europe, has diesels for all three divisions, but they are largely concentrated at the upper end of the spectrum, where volume is lower.

• The most obvious non-member is BL, though its experience with the power unit in trucks, vans and taxis is enormous. One obvious ploy would be to buy the units, as Ford of Europe does from Peugeot for its Granada and Volvo does from VW.

Neither Saab nor Lancia have ever declared any real interest in diesel cars, though the Italian company can obviously draw upon the inventory of its Fiat parent.

Saab appears more interested in high compression gasoline engines, an area which BMW is pursuing in addition to the diesel turbos it is to produce with Steyr-Daimler-Puch, of Austria.

Here again, it is not clear where all the spare capacity from this project will go. Ford Motor Co. wants some, and BMW has talked to BL about possible sale. The UK company needs something economical to balance the luxury Rovers and Jaguars it is selling in the U. S. and Europe.

All-new Jaguar sedan in the works for 1984

An all-new Jaguar sedan forms part of the BL corporate plan for the early '80s, industry sources in the UK indicate. Unofficial costs for the smaller, lighter car—coded XJ-40—are put at \$220 million.

The car is expected to appear in 1984, a year after a new six-cylinder engine has been released for use in the current XJ range.

Today's XJ dates its origins back to 1968. The six and 12 cylinder cars are unfashionably heavy on fuel and any new model will show notable improvements in gas consumption like its rivals from Daimler-Benz and BMW.

It is one of the reasons why Jaguar is looking for a suitable diesel engine from an outside supplier. It needs to improve its CAFE rating on the important U. S. market.

All this, however, is still in the pending file of UK Industry Secretary Sir Keith Joseph. BL's board has approved the overall plan for the group, but it needs government backing to finance it.

• Details of the plan are secret, but estimates of BL's cash requirements in the four-year period vary from \$300 million to \$1 billion.

No word of government thinking has emerged, but BL management must have been relieved when the 73,000 workforce pulled back from a strike at the beginning of November over a wage increase offer of 6.6 per cent. The country's inflation rate is well over double that figure.

There is no question that the group is hard-pressed for cash, and it is expected to lose close to \$1 billion this year before its state of health improves.

Other new models featured in BL's proposals include assembly of the Honda Ballade (1981), a hatchback version of the full size Princess sedan (1982), the LC10 medium-sized hatchback (1983) and a booted version of the LC10 known as AM2 and scheduled for 1984.

How fuel prices affect diesel car sales

Country	Gasoline (U. S. gal.)	Diesel (U. S. gal.)	Diesel market share (%)	Diesel sales
Belgium	\$2.80	\$1.68	10.8	45,761
France	\$2.92	\$2.57	7.3	145,204
West Germany	\$2.32	\$2.29	7.0	184,823
Holland	\$2.60	\$1.69	6.4	36,593
Italy	\$3.10	\$1.36	4.4	52,185
Sweden	\$2.69	\$1.33	6.5	13,980
Switzerland	\$2.44	\$2.48	0.6	1,631
UK	\$2.75	\$2.75	0.5	9,433

SOURCES: Chambre Syndicale, France; Automobile Association, England. Based on current monetary exchange rates.



Porsche provides the power

The new Porsche 924 Carrera GT is a 150-MPH development of the 924. Initial production is set at only 400, and none is being exported to the U. S. In keeping with Porsche tradition, three tuned versions, with 330-HP engines, competed in the Le Mans 24-hour motor race.

Porsche plans build of 400 for new 924 Carrera GT

Initial production of Porsche's new 924 Carrera GT is set at 400—but it is fair to speculate that it will eventually become a full entry in the sports car makers' exclusive catalogue.

Porsche sees the car as a successor to the lightweight 911 Carrera of 1973-4.

Half of the production will go to the domestic market, the remaining 200 going for export. None is destined for the U. S., although 50 super-tuned versions are being prepared for IMSA and SCCA racing.

The 924 Carrera GT is the first road-ready competition version based on the new Porsche transaxle generation.

The planned production version differs from the 924 Turbo largely through increased performance and more-sporting layout.

With compression ratio raised from 7.5:1 to 8.5:1, a charge-air intercooler and new digital control of ignition timing, the engine of the Carrera produces 210 HP at 6,000 RPM.

This takes the car to a top speed of 150 MPH. The 924 Carrera GT is said to accelerate from 0-62 MPH in 6.9 seconds (924 Turbo, 7.8 second).

The Carrera GT is powered by the four-cylinder 121 CID engine fitted with a turbocharger and intercooler. A five-speed gearbox is standard, and a limited slip differential optional.

Naturally, the suspension and brakes have been beefed up, and the car is distinguished by flared wheel arches, front air dam and an additional air intake on the hood.

• Porsche said the Carrera uses only slightly more fuel than the normal induction-engined Porsche 924.

Despite wider track and wider tires, enlarged air intakes and nose spoiler, Porsche maintained the same low drag coefficient of 0.34 as that of the 924 Turbo. The vehicle sits 0.4 inch lower in front and 0.6 inch lower in the rear, and its windshield is bonded to the body.

The 924 Carrera GT fenders are constructed of fiber-reinforced polyurethane. These are flexible, like the nose and tail pieces of a Porsche 928, so that light blows leave no trace. In addition, they resist corrosion

and stone damage.

Body shells are made at Neckarsulm, and final assembly is at the company's Zuffenhausen factory. If series production does begin—as seems likely—in a couple of years, the model will then undoubtedly find its way across the Atlantic.

Price is in excess of \$40,000.

5-week strike ends at Fiat; cost is high

Fiat in Italy and its workers have been counting the cost of the bitter five-week industrial dispute which paralyzed car production.

It ended in the middle of October after the government agreed to underwrite the wages of 23,000 laid-off workers.

In the wake of rapidly diminishing export sales, Fiat tried to cut its 117,000-man workforce and introduce short time working. This was too much for the powerful metal workers' union, and the dispute grew to the most serious industrial strike in Italy since the war.

Ironically, the very high stock levels put the auto company in a stronger position. The 35-day dispute meant that it was able to reduce its expensive stock of unsold cars in a way that could not be hoped for in normal negotiations.

The dispute, which is said to have cost workers in the region of \$68 million in lost pay, may have left the powerful unions in a weaker position, industry observers believe.

European show dates set for '81

Dates have been drawn up for Europe's 1981 motor shows. They are as follows:

Brussels, Jan. 15-25 (trucks); Amsterdam, Feb. 5-15 (autos); Geneva, Mar. 5-15 (autos); Belgrade, Mar. 27-April 5 (trucks, autos); Barcelona, May 2-10 (trucks, autos); Turin, May 15-24 (trucks); Frankfurt, Sept. 17-27 (trucks, autos).

In addition, the SMMT is helping organize Motorfair at London's Earls Court on Oct. 21-31.

But Italy's decline is yet to come

Europe sales off 8.2 percent for half

By Richard Feast
European Editor

An indication of the decline in demand for new cars in Europe emerges from returns for the first half of this year compiled by Fiat Auto in Italy.

Sales in the six-month period to the end of June fell by 8.2 percent to just over 5.6 million compared with the same period last year.

This is much in line with the forecast from the Economist Intelligence Unit (a 9.3 percent fall in demand for the whole of this year to 9.5 million) because in many countries the downturn did not occur until the second quarter.

Indeed, in a handful of countries, including the large Italian market, the sales graph has continued to climb.

The collapse of Italian demand is widely forecast to occur this winter, a full year after the first signs of the European sales slump occurred in West Germany. There are few clear indications why events should have happened so much more slowly in Italy.

• Even by the end of August sales were racing ahead—up 18 percent at 1,006,031. By the yearend, the country's market will be the third largest in Europe, having moved ahead of the UK.

It is the one bright aspect of Fiat Auto's current unhappy state. In the same period, domestic market registrations for the group were up 21.2 percent at 622,799 units.

This was in no small way on account of the popularity of the baby Panda and diesel engine versions of the Strada and Mirafiori. At the end of August Fiat's slice of the Italian market had risen to 52.5 percent.

Why, then, has Fiat just spent the month of October in crisis?

The downturn in its export sales has been dramatic. They have fallen by 22 percent, in many cases at the hands of the Japanese importers. Like so many car makers, it has tremendous overcapacity at present.

The dispute over the company's wish to reduce manning levels—by 14,500, or around 12 percent of the workforce—has been described as the worst industrial unrest in the country since the war.

The falling demand and consequent production cutbacks seem to have been accepted more stoically in other countries.

• In West Germany, Europe's largest single market, first half demand fell by 12.4 percent to 1.37 million. The companies worst hit—Ford, Opel and Audi—were forced to introduce shorttime working.

At Opel, where there were also redundancies, this was done against a background of capacity expansion in Spain, which greatly disturbed workers.

The French market fell by 6.1 percent to 1.02 million in the six months to the end of June. The Peugeot group was so badly hit that the recent announcement of the Peugeot/Talbot merger was perhaps the only logical conclusion.

The drop in French demand was despite a buoyant performance by Regie Renault. To the end of August its registrations rose by 11.5 percent to 518,961.

by contrast, Peugeot SA's in the same period fell by 20.3 percent to 469,532.

Of the four major markets, the fall-off in demand was greatest in the UK. To the end of June it was down more than 16 percent compared with the same period last year. Just as important, during the same period, imported models increased their already very high penetration to practically 58 percent.

There was a later improvement in UK demand, bolstered by new introductions like the Ford Escort and Austin Metro, but the country faced an uncertain economic outlook.

Between them, Germany, France, Italy and the UK accounted for three-quarters of all European car sales.

As a whole, it must constitute the most competitive market in the world. There are half a dozen major manufacturing groups, plus another six medium and small makers. And there are the Japanese importers, who are slowly gaining ground on all fronts.

According to Fiat figures once more—and it must not be for-

gotten that the Italian company has suffered at the expense of the Japanese—Japanese cars captured a record 11.7 percent of the European market in the first half of this year.

That gave them sales of some 520,000, compared with 758,000 for the whole of last year. This is despite restrictions placed on the country by three of Europe's four largest markets, France, Italy and the UK.

Japan's big increases came in West Germany. Against a market fall of 12.1 percent, registrations by Toyota, Nissan, Honda, Toyo Kogyo and Mitsubishi rose 58 percent to nearly 122,000 in the first half of this year.

Fiat's reckoning of Japanese import penetrations in the various European countries in the six months to the end of June are as follows:

Austria, 17.6 percent; Belgium, 21.9; Denmark, 31.3; Finland, 35.0; France, 2.7; Germany, 9.1; Greece, 42.8; Holland, 25.0; Ireland, 30.6; Norway, 37.1; Portugal, 8.1; Sweden, 13.1; Switzerland, 18.0; UK, 10.6. (Italy and Spain are effectively closed markets to the Japanese).

Where Europe's car market has fallen

Country	1st half 1980	Share of total	1st half 1979	Change from '79
Austria	125,000	2.2	114,300	+ 9.4
Belgium	244,500	4.3	253,600	- 3.6
Denmark	49,600	0.9	80,700	-38.5
Finland	58,200	1.0	52,600	+10.6
France	1,018,400	18.1	1,084,200	- 6.1
Germany (West)	1,371,600	24.3	1,565,200	-12.4
Greece	19,500	0.3	57,200	-65.9
Holland	287,400	5.1	354,600	-19.0
Ireland	59,000	1.0	59,100	- 0.2
Italy	937,300	16.6	829,000	+13.1
Norway	48,200	0.9	45,100	+ 6.9
Portugal	24,500	0.4	24,600	- 0.4
Spain	268,600	4.8	306,600	-12.4
Sweden	98,600	1.7	112,500	-12.4
Switzerland	157,500	2.8	163,800	- 3.8
UK	869,200	15.4	1,037,400	-16.2
TOTAL	5,637,100	100.0	6,140,000	- 8.2

Source: Fiat Auto

Porsche is gaining despite worldwide sales slowdown

The general slowdown in new-car sales this year has not affected Porsche of West Germany as much as the slump following the October, 1973, Middle East War.

"We are in a much stronger position now," says sales director Lars Schmidt. "Then we had just the 911. Now we have the 924 and 928."

To the end of August, sales were down around 10 percent compared for the same period last year. And the largest fall was in the U. S., where until recently Porsche sold half its cars.

Following introduction of the 924 in 1976 and the 928 the following year, Porsche output stood at just over 36,000 annually. In 1977 around half of that volume went to the U. S., around 30 percent was sold on the domestic market, and the remainder was classified as "rest of the world" sales.

The pattern is changing, in no small measure on account of the dollar / deutschmark exchange rate. Last year 42 percent of all cars were sold in the U. S., while deliveries to the home market accounted for an increased 35 percent of output. Other areas took a more signifi-

ficant 23 percent as well.

This year the trend has continued, with U. S. sales down by a fifth, and German registrations down by around 18 percent. However, deliveries in the rest of Europe have gone up by some 5 percent, so that each of the three markets occupies roughly one third of output.

At present the plant at Zuffenhausen, near Stuttgart, is making around 65 vehicles a day (two-thirds 911 and one-third 928). This compares with capacity of 72 a day.

The Audi factory at Neckarsulm, which produces body shells for the 924, is making around 85 a day compared with a limit of 100.

Unofficially, this model is expected to get its own Porsche engine around the time of the Frankfurt Motor Show next year rather than the Audi-based unit it currently uses.

Assistance for India

Renault and Peugeot have agreed to submit proposals to India on ways to modernize the auto industry there. Their proposals will be compared with those made by other European firms.

To evaluate surface conditions

New Swedish device keeps tabs on roads

By John A. Russell
New York Staff Writer

A measuring system for road surfaces has been developed through a joint project between Saab Scania and a Swedish government agency.

The system measures the evenness, friction, rut depth, water depth, cross fall and distance. There is a provision to manually register cracking and wear on the road surface.

Called the Saab RST, it was developed from the Saab friction tester introduced last year.

Sivert Axelsson, project manager for the RST for Saab Aerospace Division, said that before this system was developed the only method to evaluate the condition of roads in Sweden was purely subjective. Now, with this system, exact measurements can be obtained on the road surfaces.

Saab officials and those of the Swedish Road & Traffic Re-

search Institute believe the RST will prove invaluable in estimating the cost and materials necessary for road repairs as well as marking roads for safety reasons.

The RST will measure friction on wet and dry surfaces as well as crossfall of the roadway.

This, combined with the speed limit, can give a precise measurement of the skid potential of the surface on wet and dry surfaces.

The heart of the RST is an on-board computer. The operator can select the test or tests he wants to perform such as friction on wet or dry surfaces, road unevenness and water depth.

- To test friction on a wet surface, the car is equipped with a water tank, as is the Saab Friction Tester.

Data is measured against criteria developed by the various agencies of tolerances of the

road surface.

In the front of the car is attached the profile meter which measures the road conditions every 10 centimeters. There are 26 small wheels attached to this meter to measure the actual depth of ruts and unevenness in the surface.

Also, in the engine compartment, is a gyro system for the profile meter.

In the rear is the friction tester with its water tank and fifth wheel.

The computer can be programmed to include road-building requirements, according to officials of the Road & Traffic Research Institute, and the goal is to have the entire system commercially available for \$100,000.



Keeping eyes on road

This Swedish device measures road surfaces as the vehicle moves along. It can check such factors as evenness, friction, cracking and wear. Safety improvement is one goal of its developers.

Domestic sales down, but factories still working at full capacity

Export gains offset slump in Japan

TOKYO. — Japan's auto makers continue to increase exports at a rapid rate, while domestic sales are in a slump.

In September, Toyota exported 147,218 units, up 28.9 percent from a year ago, and Nissan exported 132,187 units, up 17.7 percent. Toyo Kogyo, reporting an alltime production record in September, exported 62,722 units, up 31.2 percent.

What's more, shipments to the U. S. continue at high levels, with Toyota shipping 54,079 units, up 21.8 percent. Nissan's shipments were down 10.2 per-

cent to a still-healthy 48,768.

Toyo Kogyo has already exported more cars to the U. S. than it did in the whole of 1979. With the export of the new Mazda GLC underway, Toyo Kogyo boosted shipments by 37 percent to Europe, while Toyota and Nissan shipments to West Germany rose by 22 and 67 percent respectively, both companies shipping over 6,000 units.

Toyo Kogyo's record production of 106,168 units is due almost totally to the enormous initial success of its GLC, now available in Japan in four-door

notchback form, as well as in the original hatchback three- and five-door models.

Its domestic sales were up 8 percent, with 16,369 cars sold in September, in spite of a slumping market. Isuzu sales were up 37 percent to 4,687 units.

The other makers did badly at home; Mitsubishi was down 24 percent; Honda was down 14 percent; Toyota, 12 percent; Nissan 10 percent in Japan. Total sales came to 225,476 cars, including midgets, with sales of large cars down 27 percent, subcompacts down 9.7 percent, but midget cars up 8 percent.

Midget commercial vehicles sales continued to boom, up 22 percent. Imports also fared better than in the past few months, with sales down only 8 percent.

- It is forecast that total vehicle sales in Japan will reach about 4.5 million units, including midgets, whereas at the beginning of the year, more than 5 million sales were forecast. In fact, the Japanese auto makers based their production schedules on an 8 percent increase in domestic sales, and they forecast exports of some 5.5 million units.

So far, no manufacturer has admitted to revising production schedules downwards, so it is hardly surprising that exports are rising so fast.

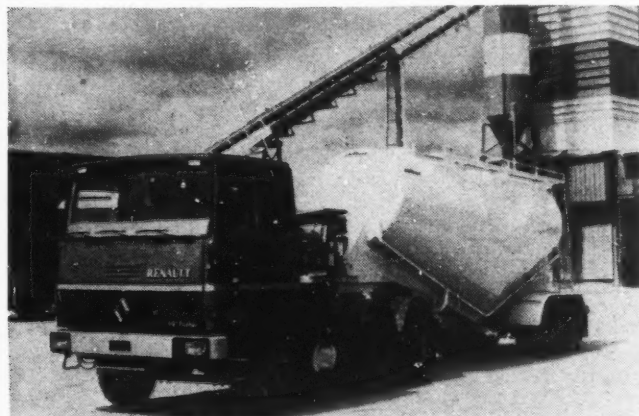
The Japanese car companies are still operating flat out—in several cases working overtime—and are clearly diverting all the extra cars to the export markets. Although they claim that many of these cars are going to the Middle East, figures indicate shipments to the U. S. and Europe are still strong.

If this trend continues, as expected, to the end of the year, the Japanese will export 6 million units this year, up one-third from 4.5 million units last year.



Scania goes double-decker

Scania, the Swedish truck and bus division of Saab-Scania, exhibited a new generation of double-decker city buses at the Birmingham Motor Show. The rear-engined machine is based on the standard BR112 transit bus chassis. The prototypes were built by East Lancashire Coachbuilders in England, a company with a two-year order book despite the recession.

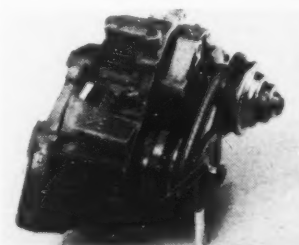


Renault's latest line in trucks

Updated cab trim, improved suspension and changes to the electrics are part of the R360 (above) and R310 ranges shown by Renault Industrial Vehicles at the Paris Auto Show. The Renault name has been on the front of trucks since April 21 this year, when the old Berliet and Saviem badges were quietly replaced. Renault supplies trucks to its Mack affiliate in the U. S.

PRODUCTION OVERSEAS

ARGENTINA			
Cars			
	6 mos. 1980	6 mos. 1979	
Citroen	—	4,012	
Chrysler Fevre	12,614	12,297	
Fiat Concord	17,742	15,286	
Ford	32,056	24,293	
Renault	27,667	17,720	
Safrar Peugeot	11,585	11,985	
Total	101,674	85,593	
Trucks, buses			
Citroen	—	487	
Chrysler Fevre	2,357	1,973	
Deutz	56	60	
Fiat Concord	1,828	1,430	
IME	2,041	4,262	
Ford	18,330	12,966	
Mercedes-Benz	4,408	3,890	
Renault	78	120	
Scania	430	250	
Safrar Peugeot	853	327	
Total	30,381	25,765	
Total vehicles	132,055	111,358	
UNITED KINGDOM			
Cars			
	9 mos. 1980	9 mos. 1979	
BL	277,270	356,626	
Austin-Morris	211,480	274,686	
Jaguar-Rover	—	—	
Triumph	58,684	74,154	
Range-Rover	7,106	7,786	
Ford	234,464	273,666	
Lotus	272	748	
Reliant	510	578	
Rolls-Royce/	—	—	
Bentley	2,142	2,176	
Talbot	111,588	69,258	
TVR	102	204	
Vauxhall	40,562	49,368	
Others	408	476	
Total	667,318	753,100	
Trucks, buses			
Bedford	70,754	72,046	
BL	93,942	84,694	
Austin-Morris	42,398	35,598	
Land-Rover	33,694	28,968	
Leyland	—	—	
Vehicles	17,850	20,128	
Dodge	12,376	12,410	
ERF	1,666	2,040	
Fodens	1,054	1,054	
Ford	1,295	112,268	
Hestair-Dennis	476	374	
Metro Scammell-Weymann	374	238	
JAPAN			
Cars			
	8 mos. 1980	8 mos. 1979	
Daihatsu	100,223	82,747	
Fuji	131,325	97,001	
Honda	533,834	442,768	
Isuzu	70,577	55,457	
Mitsubishi	415,788	333,465	
Nissan	1,267,936	1,124,926	
Suzuki	54,751	42,838	
Toyo Kogyo	459,562	410,421	
Toyota	1,556,863	1,356,533	
Total	4,590,859	3,946,156	
Trucks, buses			
Daihatsu	178,022	148,521	
Fuji	137,664	112,618	
Hino	51,086	53,072	
Honda	68,855	62,436	
Isuzu	247,157	221,946	
Mitsubishi	282,609	262,144	
Nissan	461,795	379,232	
Nissan Diesel	31,195	26,933	
Suzuki	235,893	170,604	
Toyo Kogyo	252,252	206,569	
Toyota	676,808	569,061	
Others	520	296	
Total	2,623,856	2,213,432	
Total vehicles	7,214,715	6,159,588	
FRANCE			
Cars			
	8 mos. 1980	8 mos. 1979	
Alpine	697	786	
Citroen	368,474	454,716	
Peugeot	398,141	489,609	
Renault	984,400	881,456	
Talbot Matra	5,473	11,898	
Talbot	200,664	236,873	
Total	1,957,849	2,075,338	
Trucks, buses			
CBM	66	73	
Citroen	31,748	30,113	
Peugeot	84,345	70,884	
Renault	95,370	90,356	
RVI	35,448	26,318	
Sovam	84	86	
Talbot Matra	1,475	—	
Talbot	15,923	19,039	
Unic	12,065	11,621	
Total	276,528	248,492	
Total vehicles	2,234,377	2,323,830	



Only one belt

The Fiat Ritmo 75 continuously variable transmission features two pulleys with one member each that is axially movable to increase or reduce the effective radius.

Mack ending long absence from MVMA

By Jack Walsh
Truck Editor

DETROIT. — Mack Trucks, Inc., is abandoning the Heavy Duty Truck Manufacturers Assn., which was the brainchild of Zenon C. R. Hansen, retired Mack chairman, and there's a good chance there won't be an American Historical Truck Museum, another Hansen dream.

The Motor Vehicle Manufacturers Assn., at a press briefing in conjunction with the recent S.A.E. national truck meeting in King of Prussia, Pa., announced that Mack will rejoin the association the first of the year after an 11-year absence.

Alfred W. Pelletier, Mack chairman, said Mack will not continue as a member of the HDTMA, and indicated that the approximately \$2.5 million raised for a truck museum will be earmarked for other charitable endeavors.

Hansen, at his home in Sebring, Fla., said he was "sorry to hear" about Mack's decision to leave the HDTMA, and called the move a "step backwards."

"The truck industry needs an organization of its own, not a division of an association where the emphasis is on cars," said Hansen, the leader in the establishment of the HDTMA in

Continued on Page 27, Col. 1



Sales bosses take to the road

White Motor Corp.'s district sales managers hit the road in five 1981 Road Bosses for a six-week demonstration blitz of dealers and customers in the seven Great Lakes Region states. Before the end of the year, district managers in White's four other U. S. regions will provide similar demonstrations in their territories.

White blitz stresses Road Boss economy

FARMINGTON HILLS, Mich. — White Motor Corp. has launched a program to blitz the nation with personal, hands-on demonstrations that will emphasize the fuel economy and reliability built into the 1981 Road Boss conventional.

The blitz was kicked off late in October at White's new Chicago branch facility when five district sales managers climbed into the cabs of five identically spec'd Road Bosses that will serve as their "offices" for six weeks.

In that period they will visit every White dealer and many fleets in the Great Lakes Region, encompassing Ohio, Indiana, Illinois, Wisconsin, Minnesota, and portions of West Virginia and Kentucky.

Before the end of November, 16 additional district sales managers in White's four other regions will hit the road in Bosses spec'd for their particular parts of the country.

The hands-on demonstration plan was conceived by Mark J. Obert, White's Truck Operations truck marketing vice president, who said: "Even though our dealers already agree that we're building the best conventional in the industry, there's nothing better than personal demonstrations to underscore the impor-

tant new features that make the 1981 Road Boss more reliable, more fuel efficient and easier to maintain.

"Moreover," Obert added, "this is a grass-roots program that includes all dealer personnel—not just the dealer principals who would normally attend a national sales meeting and new model introduction."

Dressed up in two-tone blue—White's new corporate color—the demo Bosses are equipped with Cummins Formula 300 engines, Fuller RT109 transmissions and Rockwell SQHD 3.70 ratio rear axles.

Particularly important to the safety of the driver-sales managers is the inclusion of White's Air Brake Proportioning System which balances braking in bob-tail mode operation.

The sales managers—turned drivers are John Dando, Minnesota and Wisconsin; David Meyer, Illinois; Elmer Krueger, Indiana and Northern Kentucky; Jack Hinton, Michigan; and Donald Vogel, Ohio and West Virginia.

White dealers to have voice on creditors group

CLEVELAND.—The National Automobile Dealers Assn. has been appointed an ex officio member of the White Motor Corp. Creditors Committee in the truck manufacturer's Chapter 11 proceedings.

As an ex officio member, according to the order entered by U. S. Bankruptcy Judge Mark Schlachet, NADA's dealer representative will have no voting rights, but will be included in all committee meetings and have a voice in those discussions.

The dealer representative is Frank X. Baumert, Baumert Sales Co., Inc., Hartford, Conn. He currently serves as the White line representative with NADA's American Truck Dealers Division (ATD).

Bernie Young, Charleston Truck & Trailer, South Charleston, W. Va., and present chairman of the White Dealer Council, was appointed alternate representative.

At a recent hearing regarding expansion of the Creditors Committee, Bruce R. Baker,

Continued on Page 27, Col. 1

truck industry news

Truck registrations in first nine months are lowest since '75

Nine-month registrations of new trucks of all types in the U. S. dropped below the two-million mark for the first time since 1975, and they were down more than a million units from the alltime high set in 1978.

In the January-September period, according to R. L. Polk & Co., 1,910,485 new trucks were registered, a decline of 27.8 percent from last year's 2,644,904, the second-highest total for the period.

In 1978, when the 12-month count fell only about 37,000 units short of the four-million mark, a record 2,983,847 units were tallied in the first nine months. Five years ago, the total hit only 1,728,516 through September.

New-truck registrations in September fell below the 200,000 figure for the first time since 1972. This year the count was 190,324, off 35.2 percent from last year's 293,705 and only 2,445 units higher than the 187,879 tallied in September eight years ago.

Over the nine-month span this year, registrations were off in all three market segments and seven of the eight weight groups. Heavies suffered the least because of the sharp gain in Group 7 tallies.

Light-truck registrations

through September slumped to 1,713,825 units, down 27.6 percent from the year-ago 2,367,657. Groups 2 and 3 tallies were down sharply, but Group 1 was off less than 10 percent because of the increase in sales of the imported compact pickups.

• Largely as a result of the slump in demand for recreation vehicles, Group 3 registrations plunged 85.4 percent below last year's total, from 36,521 units to 5,329.

Group 2 tallies for the nine months failed to top the million mark for the first time since

Continued on Page 27, Col. 1

Group 7 surge helps HD tallies avoid sharp dip

In spite of the sharp decline in sales of new Group 8 trucks in the U. S., registrations of heavy vehicles in the first nine months of 1980 were down only 8.2 percent from last year's record levels.

A surge in nine-month registrations of Group 7 trucks was responsible for keeping the big-truck total higher than might

Continued on Page 27, Col. 1

Texas firm to buy White non-truck units

FARMINGTON HILLS, Mich. — White Motor Corp. and TIC Investment Corp., Dallas, have signed an agreement for the purchase by TIC of White's U. S. farm and lift-truck equipment operations and certain related international farm-equipment assets. Negotiations continue with regard to White's Canadian farm-equipment business.

The agreement is subject to various conditions and approvals, including approval by the U. S. Bankruptcy Court in Cleveland, where White currently is in Chapter 11 proceedings. Purchase price was not disclosed.



Fire-fighting on large scale

This snorkel fire-fighting and rescue unit, produced by Cheshire Fire Engineering of Winsford, England, for the Nairobi City Council, Kenya, will be the largest of its type in East Africa. The Simon snorkel has a working height of about 108 feet, the vehicle is over 44 feet long, 8 feet wide and 11 feet high. The unit is powered by a Perkins 640 diesel engine with Allison automatic transmission.

U. S. TRUCK REGISTRATIONS

NINE MONTHS, 1980 VS. 1979★

Based on R. L. Polk & Co. statistical report

	9 mos., 1980	Percent Share of '80 market	9 mos., 1979	Percent Share of '79 market	Pct. Pt. Change, '80-'79
Ford.....	601,812	31.50	848,448	32.08	- 0.58
Chevrolet.....	568,487	29.76	839,407	31.74	- 1.98
Dodge.....	179,851	9.41	276,532	10.46	- 1.05
GMC.....	141,660	7.42	212,785	8.04	- 0.62
Jeep.....	61,242	3.21	105,612	3.99	- 0.78
International.....	51,720	2.71	88,292	3.34	- 0.63
Plymouth*.....	22,568	1.18	14,847	0.56	+ 0.62
Mack.....	16,264	0.85	22,683	0.86	- 0.01
Kenworth.....	8,983	0.47	10,983	0.42	+ 0.05
Freightliner.....	8,415	0.44	9,820	0.37	+ 0.07
Peterbilt.....	5,515	0.29	6,684	0.25	+ 0.04
White.....	3,931	0.21	6,841	0.26	- 0.05
Autocar.....	1,182	0.06	1,634	0.06	
Western Star.....	832	0.04	848	0.03	+ 0.01
Volvo.....	655	0.03	470	0.02	+ 0.01
Diamond Reo.....	83				
Miscellaneous**.....	237,285	12.42	199,018	7.52	+ 4.90
TOTALS.....	1,910,485	100.00	2,644,904	100.00	

★—No registrations for Oklahoma, 1980 and 1979; Utah, September, 1979.

—Plymouth trucks are Trail Duster utility vehicles and Arrow pickups.

**—Miscellaneous includes imports, Crane Carrier, Oshkosh, FWD, Hendrickson, etc.

NOTE: 1980 figures include window vans, 1979 totals do not.

U. S. HEAVY DUTY REGISTRATIONS

NINE MONTHS, 1980 VS. 1979★

Based on R. L. Polk & Co. statistical report

	9 mos., 1980	Percent Share of '80 market	9 mos., 1979	Percent Share of '79 market	Pct. Pt. Change, '80-'79
Ford.....	36,731	24.79	28,860	17.88	+ 6.91
International.....	27,811	18.77	50,289	31.16	- 12.39
GMC.....	22,953	15.49	15,081	9.34	+ 6.15
Mack.....	15,858	10.70	22,683	14.06	- 3.36
Chevrolet.....	12,592	8.50	4,741	2.94	+ 5.56
Kenworth.....	8,983	6.06	10,983	6.81	- 0.75
Freightliner.....	8,415	5.68	9,820	6.08	- 0.40
Peterbilt.....	5,515	3.72	6,684	4.14	- 0.42
White.....	3,931	2.65	6,841	4.24	- 1.59
Autocar.....	1,182	0.80	1,634	1.01	- 0.21
Western Star.....	832	0.56	848	0.53	+ 0.03
Volvo.....	653	0.44	470	0.29	+ 0.15
Diamond Reo.....	83	0.05			+ 0.05
Miscellaneous.....	2,655	1.79	2,454	1.52	+ 0.27
TOTALS.....	148,194	100.00	161,388	100.00	

★—Groups 7 and 8 trucks only; no registrations for Oklahoma, 1980 and 1979; Utah, September, 1979.

Nine-month total off 28 percent from last year

Truck registrations lowest since '75

Continued from Page 18

1975. This year's total of 840,778 units was down 38.5 percent from last year's 1,367,799, but considerably higher than the 626,685 tallied in the first nine months of 1979.

The imported compact pickups accounted for 26.8 percent of Group 1's 867,718 nine-month registrations, which were off 9 percent from last year's 963,337. In 1979, the imports represented 20.2 percent of the total with 194,650 tallies. The 1978 count was 149,038, which accounted for 17.8 percent of the total of 836,036.

Medium-truck registrations declined 58.2 percent for the nine months, 48,466 versus 115,859, with major reductions in two of the three weight classifications.

The Group 4 total, due to the motor-home famine, dropped to only 199 units, down 95.5 percent from last year's 4,360.

Dodge, which no longer is producing motor-home chassis, accounted for 190 of the total and the miscellaneous group the remainder. A year ago, Dodge had 4,357 of the total and miscellaneous the other three.

Group 5 tallies were down 18.5 percent, from 2,048 in the first nine months of 1979 to 1,670.

• The increase in the popularity of fuel-efficient mid-range diesel engines used in the so-called "recession-proof applications," such as pickup-and-delivery, beverage delivery and refuse collection, is responsible for the big drop in the Group 6 tallies.

Because of the heavier diesel engine and heavier components, trucks previously classified in the top end of Group 6 have moved into Group 7 with the switch from gasoline to diesel power.

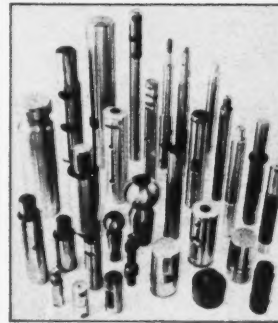
Through September, only 46-

597 Group 6 vehicles were registered, a decline of 57.4 percent from the year-earlier 115,859.

With Group 7 tallies showing an increase of 69.4 percent over a year ago, the heavy-truck count through September was down only 8.2 percent, from a record 161,388 units in 1979 to 148,194.

The Group 7 total was up from 35,626 units a year ago to 60,365. This year these vehicles have accounted for 40.7 percent of the heavy-truck registrations. Last year they accounted for only 22 percent.

Nine-month Group 8 tallies declined 30.2 percent from last year, sinking to 87,829 from a record 125,762 in 1979. Vehicles in this group, mainly line-haul tractors and big construction trucks, have been hurt severely by the downturn in the economy.



PRECISION MACHINED & HARDENED PARTS? CALL THE PINMAKERS.

We'll precision machine and induction harden your parts. Both. We'll save you the added costs, in time and money, of separate suppliers. Try us. Try our Total Supplier Responsibility. See what an experienced (since 1947) machining/hardening facility

can do for you. Take advantage of our engineering and metallurgical skills, veteran personnel, sophisticated equipment. We'll prove to you why we are now one of the nation's foremost single-source suppliers of pin-type and other bar stock parts. Call us. The Pinmakers.



Champion Machined Products Division
CHAMPION COMMERCIAL INDUSTRIES

Technical Services Department
4010 East 116th St., Cleveland, Ohio 44105
For immediate service: (216) 883-1600



truck watch

Continued from Page 18

Washington 10 years ago.

"The truck industry is big enough, and it's strong enough to support its own association," he added.

• Mack withdrew from the MVMA, then known as the Automobile Manufacturers Assn., on Dec. 31, 1969. At the time,

Group 7 surge helps HD tallies avoid sharp dip

Continued from Page 18

have been expected in this off year for almost all types of trucks except mid-range diesels and the imported compact pickups.

R. L. Polk & Co. reported that 148,194 new Groups 7 and 8 trucks were registered in the U. S. in the January-September period, compared with the all-time high of 161,388 a year ago.

The September count of 15,838 units was down 8.1 percent from the 17,233 vehicles tallied in the same month a year ago.

Registrations of Group 7 trucks through September totaled 60,365, an increase of 69.4 percent over the year-ago 35,626. Group 7 tallies accounted for 40.7 percent of the nine-month heavy-truck total, compared with only 22 percent in 1979.

Group 8 registrations through September were down 30.2 percent from last year, from a record 125,762 units to 87,829.

White dealers to have voice on creditors group

Continued from Page 18

NADA staff attorney, emphasized that the White dealers represented approximately \$6 million in outstanding claims, but had no voice in the Creditors Committee.

He noted that all but 11 of the 234 franchised White dealers are ATD members, and said that if ATD is to have a chance to rehabilitate itself, its truck dealers are vital to the manufacturer's future.

Hansen called a truck manufacturer's membership in AMA "a total waste of money," and indicated it still is "unless it's changed a lot since then."

In spite of Hansen's opinion of the value of MVMA membership, Mack was the only major U. S. truck manufacturer in the U. S. which hasn't been a member. PACCAR, Inc., parent firm of Kenworth and Peterbilt, joined MVMA in 1977, and Freightliner Corp. came in a year later.

F. Murray Callahan, HDTMA general counsel, declined to discuss the impact of Mack's withdrawal on the association's future. He said he would be meeting with Mack's Executive Committee early in December "to resolve Mack's role in the future."

Hansen, however, said he doubted that the HDTMA could survive without the support of Mack.

The HDTMA has close to 20 members currently, including truck manufacturers such as Crane Carrier and Osterlund, Inc. (Diamond Reo) and heavy-truck component suppliers such as Rockwell, Eaton, Dana, Sheller Globe and the major tire companies.

Hansen said he was not surprised to hear about the diversion of the museum funds, but indicated that directors of the proposed museum would have a voice in how they will be dispersed.

"The truck industry has been having a tough time selling their products, and I see little support in the future for a museum," he added. "But I do think there is support for a (trucking industry) library and Hall of Fame, and I'm going to fight for them."

Ziebart appoints three to executive posts

TROY, Mich.—Ziebart Rustproofing Co. has promoted three employees to executive positions.

William E. Beaver has been named sales director for Ziebart Appearance and Protection Services; Theodore P. Nuoffer has been promoted to licensing director, and Robert D. Markey has been named retail advertising manager.

Our T.V. Sellathon Has NEVER FAILED To SELL CARS Fast!

We've improved on an old idea. The SELLATHON concept was developed years ago, but no one has ever done it better than ADAAM.

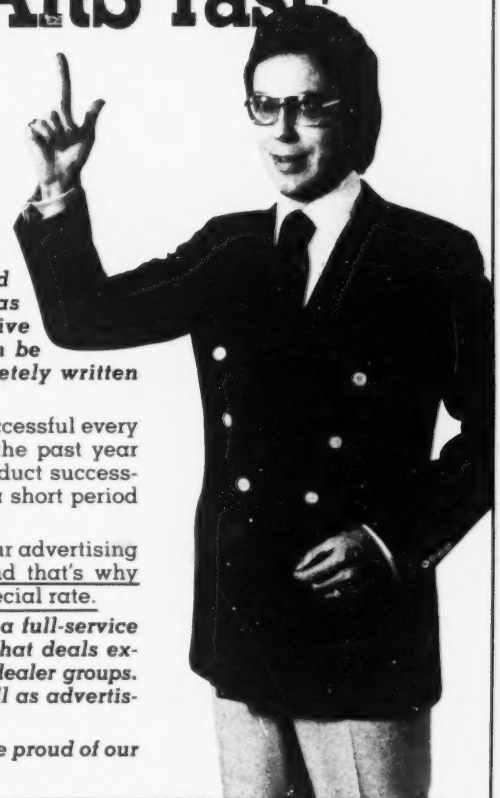
We've refined the SELLATHON, using the highest quality television production; top professional salesmen with proven effectiveness; and hard-hitting, straight-to-the-point sales messages. Combined with sophisticated time-buying procedures, ADAAM has made the SELLATHON a very effective short-run advertising product that can be fully tailored to each market—completely written and produced for your specific needs.

Our SELLATHON clients have been successful every time, even during the challenges of the past year and now. SELLATHON is a quality product successfully designed to move many cars in a short period of time.

SELLATHON is not the answer to all your advertising and marketing needs. ADAAM is. And that's why we're offering our SELLATHON at a special rate.

We want to introduce you to ADAAM—a full-service advertising and marketing company that deals exclusively with automobile dealers and dealer groups. We're automobile professionals as well as advertising professionals.

We're the best at what we do, and we're proud of our successes.



**SUCCESSFUL EVERY TIME • MOVE INVENTORY FAST
BOOST CASH FLOW IMMEDIATELY • EXCLUSIVE IN EVERY MARKET**

Contact our Sales Director, Ed Read, today. Someone in your market is going to.

THE
ADAAM
CORPORATION

9216 Clayton Road
St. Louis, Missouri 63124
(314) 997-1500

Special Rate!

1. For \$3,500 we will deliver to one aggressive dealer or group in each TV market, a customized package of television commercials (a minimum of four 30 second spots).

2. We will either buy the time at standard commission rates or assist you in buying the time.

3. We will advise you on important operational procedures which differ from market to market.

Smallest autos show biggest rise

Car operating costs soar in 1980

NEW YORK. — Average cost to own and operate new U. S. cars jumped a record 18 percent—some 6.4 cents a mile—in 1980, with the smallest cars accounting for the largest increases.

According to Hertz Corp.'s annual auto expense estimates, subcompact cars jumped 8 cents a mile to 38.1 cents, a 27 percent increase over 1979, and compacts climbed 7.8 cents to 39.8 cents, 25 percent ahead of last year.

Intermediate-sized cars increased 6 cents to 44 cents a mile, 16 percent over last year's 38-cent figure, while large, standard-sized cars were up 4.8 cents to 48.1 cents, an 11 percent climb, according to Hertz.

Hertz said the latest round of double-digit auto expense increase puts per-mile outlays 123 percent above costs in 1972, the last full year before the Arab oil embargo, against an overall inflation rate of 88 percent for the nation in those same eight years.

"It now costs more to own

and operate a typical subcompact than it did to drive a domestic luxury model in 1972," said J. E. Menendez, Hertz executive vice president for domestic operations.

According to Hertz, the expense figures are for normally equipped models purchased new and driven 10,000 miles a year for three years. Trading cars annually boosts expenses 2 to 3 cents a mile, while keeping vehicles for up to 10 years can lower outlays by as much as 11 to 14 cents a mile, Hertz said.

• Expenses in the estimates each year include gasoline, oil and other service station items; maintenance, parts and repairs; licenses, fees and insurance; car loan interest, and depreciation—which continues to be the biggest cost item for new cars, Hertz said.

Garaging and tolls are omitted since they can vary widely from place to place or driver to driver, but Hertz estimates such

charges can add 5 to 25 cents a mile for some motorists in major cities.

List prices of typical compact and subcompact models, according to Hertz rose 20 percent and 21 percent in 1980, while sticker costs of intermediates and standards climbed 12 to 14 percent, narrowing the gap even more.

In 1979, for example, purchase price of a subcompact was figured at \$4,865, against \$6,962 for a standard, a \$2,097 difference, Hertz said. For 1980, the subcompact was \$6,033 versus \$7,752 for the standard, a gap of only \$1,719.

A typically-equipped compact-size car, which now best reflects average new domestic

auto purchases, sold for \$6,454 in 1980, against \$5,079 in 1979, Hertz said. The purchase price of cars influences the depreciation, tax, insurance and interest factors in ownership and operation, the study pointed out.

Interest expenses showed the greatest percentage increase in 1980, up 54 percent to 5.82 cents a mile for the compact kept three years and driven 10,000 miles a year. This advance reflects both the higher purchase prices of the car and the soaring loan interest rates, Hertz said.

The category of insurance, licensing and fees for the compact was up 26 percent this year to 8.13 cents a mile, total gasoline and other service station charges rose almost 19 percent to 8.04 cents and maintenance climbed 10 percent to 2.28 cents a mile for the 30,000 miles of travel.

Gasoline prices averaged \$1.25 a gallon, against 95.5 cents in 1979, putting per-mile fuel-only

expenses at 6.3 cents for a typical compact getting about 20 miles per gallon, versus 5.2 cents last year, Hertz said.

factories list auction dates

American Motors

Nov. 25—Ohio Auto Auction, Columbus, O.; D-A Auto Auction, Waltz Mill Rd., New Stanton, Pa.

Nov. 26—Sand Mountain Auto Auction, U.S. 431, Boaz, Ala.; Big D Auto Auction, W. Hwy. 80, Dallas; Al Eide's Minneapolis Auto Auction, 1125 A Nathan Land N., Minneapolis.

AMC sales are open to all dealers.

Chrysler Corp.

Nov. 25—Aptco Auto Auction, 20911 Gladwin, Taylor, Mich.

Chrysler sales are restricted to Chrysler Corp. dealers.

Used-car locator service uses computerized listing

JOLIET, Ill. — Midwest Auto Index, headquartered here, has opened its telephone lines and IBM computer equipment to used-car sales people in the surrounding seven-state area.

"We are a locator service for anyone who sells used cars," said Andy Paulson, spokesman for the one-month-old operation. "The idea is to expand a business's used-car inventory without raising inventory costs."

A dealer client pays an initial enrollment fee of \$65, and is charged \$12 for each request located.

For example, the dealer is looking for a 1978 four-door Chevrolet Nova, red, with automatic, V-8, on behalf of a prospective used-car customer. He phones the Midwest Auto Index toll-free number and reads his request. Within seconds, said Paulson, he will be given from the computer the names, locations and telephone numbers of

dealers who have listed such a car in their inventories.

He is charged \$12 for the completed location. If no other client has what he wants, he bears no expense.

Each client submits an inventory sheet listing all the used cars he has to sell to Midwest at the time of his monthly billing. In this manner, Midwest continually updates its computerized inventory, according to Paulson. Billing and updating are done on a staggered basis, he said.

The more dealers involved, the greater the inventory they share.

An annual renewal fee of \$35 will be charged clients after the first year with Midwest.

"It has been difficult getting started," said Paulson. "But we think this is a simple, economical way for used-car dealers to multiply their inventories and turn a walker into a closed sale."



Fairlane Sportsman for Australia

Ford Australia's limited-production Fairlane Sportsman features special two-tone paint treatment, wool tweed trim on interior facings and door trims, aircraft-style reading lights for front-seat riders and sports alloy road wheels. Of the first 500 produced, 325 will have a 4.1-liter six, the balance the 4.9-liter V-8. Fairlane is Ford's luxury model in Australia.

used-car auction directory

Display Rates: \$53.00 per column inch (minimum space, 1 inch on 1 column). Listing Rates: (Maximum: Four lines of type - 1 time,

\$13.50; 13-times, \$11.50, 26-times, \$10.00, 52-times, \$9.00. For Frequency Display Rates Contact Want Ad Dept., Automotive News,

965 E. Jefferson, Detroit 48207. Phone (313) 567-9520. Closing: 10 days in advance.

MICHIGAN

WEDNESDAY 11:00 a.m.

ATTEND THE FLINT AUTO AUCTION

Averaging 600-700 cars

- Our 28th Year
- Buy and Sell with Complete confidence
- New Expanded Facilities
- Guaranteed Titles
- Auction Checks
- Cab fare paid from Airport
- Truck fleet for Quick Pick-up and Delivery

Mac McCollum & Jim Williams

FLINT AUTO AUCTION

3711 WESTERN RD. FLINT, MICHIGAN 48506 PHONE (313) 736-2700

MARYLAND

BELAIR AUTO AUCTION

MARYLAND

Over 35 years serving auto dealers

SALE EVERY THURSDAY, 11 A.M.

Full Service Auction

Transport Professional auctioneers Large dealer consignment Fleet & lease cars

Cleanup Storage Personal service State vehicles

Call: 301-838-5880 or 301-879-7950

Rt. 1, Belair, Maryland 21014

AUCTION SCHOOL

Be An Auctioneer — Write for information. Mendenhall School of Auctioneering, U.S. Hwy. 29-70 (I-85) High Point, N. C. 27263.

ARIZONA

Southwest Auto Auction. Lease and fleet accounts welcome. Member NAAA and NAFA. 3420 South 48th Street, Phoenix, 602-294-2211.

CALIFORNIA

Oakland Auto Auction, 10121 E. 14 Oakland 3, NE 6-0621. Complete service out-of-state lease, fleet accounts. Fred Boardman.

OHIO

"the Tuesday sale"

3905 Jackson Pike
Columbus, Ohio

Henry M. Stanley, Jr.,
Owner

Regular Sale every Tuesday at 12:00 Noon

200 Lease and As Is following Regular Sale

For Reserved Numbers, Motel Reservations, or Airport Pickup, Call OHIO AUTO AUCTION

(614) 871-2771

NEW JERSEY

SKYLINE AUTO AUCTION

100 Route 48, Fairfield, N. J. 07006

(201) 227-9100

4 LANE SELLING EVERY TUESDAY!

At 11:30 A.M. licensed new & used car dealers from all surrounding states are invited & welcome to buy & sell. We sell for the country's leading leasing companies, national fleets, New Jersey Bell and Ford Motor Credit Company. No house cars.

NEW MEXICO

Greater Albuquerque Auto Auction — New Mexico's only dealer auction. Sale every Thurs., 12:00. Member NAAA & WAAA. 8815 Second St., N.W., 505-898-9540.

NEW YORK

Tri-State Auto Auction, Cicero, N.Y. Sale every Weds., 6:30 p.m. Just no. of Syracuse, Rte. 81, Ex. 30. 3 action packed lanes, 500 cars each wk. 1-315-699-2792.

COLORADO

Denver Auto Auction, 4285 South Santa Fe, Englewood, Colorado 80110. Sale every Friday, 303-761-1410, 303-761-1459.

INDIANA

MID STATES AUTO AUCTION

25784 Western Ave.
South Bend, Indiana

Sale every Wednesday, 6 P.M. and every Friday 12:00 Noon. PERSONAL ATTENTION given in the handling of vehicles for Fleet Operators and Leasing Firms. Phone 219-289-7767.

MINNESOTA

WEDNESDAY 11:00

Large consignment, 3 ring selling. Complete recon facilities. Arrange pickup anywhere.

AL EIDE'S

Minneapolis Auto Auction

1125 Nathan Lane, Minneapolis, Minn. 55441

612-546-2403

OHIO

Wednesday Auto Auction. Exit 49 on I-270, Columbus, Ohio. Every Wednesday. Call: Area 614-497-2000.

SOUTH CAROLINA

Bruce Auto Auction & Recon Center—Fleet and Lease car and truck disposal our thing. AAA credit. 803-242-3090, Greenville, S. C.

WASHINGTON

Bob McConkey & Sons. So. Seattle Auto Auction, the Lease Specialist. 206-872-6800, P.O. Box 5189, Kent, WA. 98031.

Makers schedule 157,249 cars

Production again exceeds year-ago

For the second straight week, U. S. auto production topped the figure for the same weeks a year ago, as the makers scheduled Saturday overtime at seven plants.

Last week's scheduled production of 157,249 U. S. cars was up 60.85 percent from the 98,059 completed in the comparable 1979 period but off 1.68 percent

from the 154,760 built the previous week.

The low production in the comparable 1979 week was due to the Thanksgiving holidays.

General Motors led auto makers in production with 96,013 cars produced last week, 61.06 percent of U. S. auto production, Ford had 20.86 percent; Chrysler, 13.10 percent; Volkswagen

of America, 2.89 percent, and American Motors, 2.08 percent.

Ford Motor had six plants working 10-hour days last week, with two of the plants, Wayne and Wixom, working Saturday.

GM scheduled Saturday overtime at Lansing, Detroit, Framingham, Oklahoma City and Tarrytown.

Ford had two plants closed to balance inventories last week, Lorain and San Jose. Lorain reopens today (Nov. 24) and San Jose remains closed until Dec. 1.

Also, a strike continued over local issues at GM's Norwood facility. The walkout started Nov. 12.

Year-to-date, the auto makers have assembled 5,723,755 units, down 26.74 percent from the 7,813,228 built through Nov. 24, 1979.

For the year, Chrysler is down in output 31.93 percent to 571,095 from 839,076. Ford is down 39.83 percent to 1,140,901 from 1,896,249. Volkswagen is up 12.43 percent from 155,847 to 175,234. Checker is down 35.29 percent to 2,754 from 4,256. GM, despite having 61.06 percent of total production in last week's figures, dropped 22.48 percent in the year to date total, from 4,752,428 to 3,683,982.

U. S. CAR PRODUCTION

	Week Ended Nov. 22, 1980	Same Week 1979	Week Ended Nov. 15, 1980	Nov. to Date	Jan. 1, to Nov. 24, 1979	Jan. 1, to Nov. 22, 1980
AMERICAN MOTORS.....	3,275*	2,475	3,275*	9,825*	165,372	149,788*
Eagle.....						
Concord.....						
AMX.....						
Pacer.....						
Spirit.....						
CHRYSLER CORP.....	20,600	11,460	16,149	58,033	839,076	571,095
Plymouth Total.....	9,450	4,431	7,843	27,901	339,824	262,320
Horizon.....	3,300	1,942		6,519	155,394	139,739
Volare.....		2,129			171,588	51,735
Gran Fury.....	150	211		150	4,336	13,909
Caravelle.....	100	149	105	319	8,506	5,623
Reliant.....	5,900		7,738	20,913		51,314
Chrysler Total.....	2,450	2,168	1,571	5,457	170,835	73,162
Chrysler.....	950	596		950	75,002	17,655
LeBaron.....	1,500	1,572	1,571	4,507	95,833	55,508
Dodge Total.....	8,700	4,861	6,735	24,675	328,417	235,614
Omni.....	2,750	1,820		5,674	135,816	117,257
St. Regis.....	450	157		450	24,764	12,719
Diplomat.....	600	831	763	2,168	46,425	27,648
Aspen.....		2,053			121,412	36,881
Aries.....	4,900		5,972	16,383		41,109
FORD MOTOR.....	32,811	17,123	37,078	103,115	1,896,249	1,140,901
Ford Division.....	21,901	12,350	25,664	70,002	1,270,936	816,308
Pinto.....		2,186			162,080	68,179
Must./Must. II.....	4,187	3,864	5,210	14,676	348,708	212,393
Fairmont.....	2,279	1,711	2,540	7,554	191,262	184,748
Granada.....	4,349		4,897	13,745	133,097	98,559
LTD II.....					22,746	
Thunderbird.....		1,592	3,480	3,480	25,001	104,041
Ford.....	2,100	2,997	2,100	6,216	162,042	82,312
Escort.....	8,986		7,437	24,331		66,076
L-M Division.....	10,910	4,773	11,414	33,113	625,313	324,593
Mercury Total.....	8,987	2,766	9,774	27,662	483,865	280,139
Bobcat.....		249			41,805	12,445
Capri.....	1,269	780	1,866	4,975	102,708	61,374
Zephyr.....	1,536	593	1,074	3,715	56,206	61,027
Cougar/Monarch.....	1,659		1,622	5,174	57,013	21,619
XR-7.....		1,144	1,190	1,190	132,946	52,128
Mercury.....	1,293		1,320	3,927	93,187	48,950
Lynx.....	3,230		2,702	8,681		22,596
Lincoln Total.....	1,923	2,007	1,640	5,451	141,448	44,454
Lincoln.....	1,055	813	894	2,806	68,385	18,668
Versailles.....					11,364	1,866
Mark VI.....	868	1,194	746	2,645	61,699	23,920
GENERAL MOTORS.....	96,013	66,649	93,465	283,405	4,752,428	3,683,982
Buick Division.....	17,610	10,599	17,283	53,200	712,793	691,742
Skyhawk.....		254			23,654	
Skyline.....	4,879	2,029	4,987	15,054	104,192	193,900
Century.....	3,536	1,661	2,994	9,553	60,241	148,375
Regal.....	4,705	3,090	4,667	14,216	238,385	180,405
Buick.....	3,350	2,746	3,582	11,138	233,610	130,350
Riviera.....	1,140	819	1,053	3,239	52,711	38,712
Cadillac Division.....	4,709	4,124	4,169	13,519	316,805	176,867
Seville.....	725	750	644	2,015	43,132	30,432
Cadillac.....	2,724	2,754	2,329	7,845	212,778	98,457
Eldorado.....	1,260	620	1,196	3,659	60,895	47,978
Chevrolet Division.....	40,945	28,841	40,585	121,304	2,098,652	1,576,358
Chevette.....	9,570	5,323	9,275	28,080	377,655	416,187
Monza ('80).....	2,780	1,823	3,043	8,831	146,443	146,546
Camaro.....	2,420	3,096	2,145	6,991	244,977	107,174
Citation.....	10,262	5,564	10,181	29,985	280,981	410,083
Malibu.....	6,427	4,956	6,644	19,662	366,546	238,122
Monte Carlo.....	3,686	2,782	3,547	10,794	215,292	107,310
Chevrolet.....	4,800	4,728	4,750	13,971	422,607	111,396
Corvette.....	1,000	569	1,000	2,990	44,151	39,540
Oldsmobile Division.....	19,981	13,655	18,677	57,009	944,881	713,495
Starfire.....		457			20,015	
Omega.....	2,343	982	2,844	7,402	49,009	99,245
Cutlass.....	10,371	6,503	9,559	29,839	486,491	340,385
Oldsmobile.....	6,369	5,000	5,449	17,214	340,181	204,799
Toronado.....	898	713	825	2,554	49,185	69,066
Pontiac Division.....	12,768	9,430	12,751	38,373	679,297	525,520
Acadian.....	280	179	293	806	15,837	17,758
Sunbird ('80).....	3,758	1,325	4,015	11,468	95,931	143,621
Phoenix.....	3,138	1,547	2,914	78,309	77,393	121,943
Firebird.....	1,660	2,301	1,378	4,703	182,590	72,033
LeMans.....	1,794	991	1,948	5,647	83,402	56,956
Grand Prix.....	1,898	1,450	1,977	5,781	87,880	64,894
Pontiac.....	240	1,637	226	727	136,264	48,315
VOLKSWAGEN.....	4,550		4,738	13,739	155,847	175,234
CHECKER.....		54	55	142	4,256	2,754
Total Cars, U. S.	157,249	97,761	154,760	468,259	7,813,228	5,723,755

CANADIAN CAR PRODUCTION

	Week Ended Nov. 22, 1980	Same Week 1979	Week Ended Nov. 15, 1980	Nov. to Date	Jan. 1, to Nov. 24, 1979	Jan. 1, to Nov. 22, 1980
AMERICAN MOTORS.....	405		320	924		924
CHRYSLER CORP.....	1,800	4	1,485	5,034	113,371	67,484
FORD MOTOR.....	5,440	8,612	4,652	16,277	261,367	228,524
GENERAL MOTORS.....	12,856	8,663	12,702	36,752	513,909	445,007
VOLVO.....	225	225	225	652	7,900	8,897
Total Cars, Canada.....	20,726	17,504	19,384	59,639	896,547	750,836
N. American Cars.....	177,975	115,265	174,144	527,898	8,709,775	6,474,591
N. American Trucks.....	51,074	41,074	51,490	155,654	3,436,597	1,864,278
North American Cars and Trucks.....	229,049	156,338	225,634	683,552	12,146,322	8,338,869

*—All Acadians and Caravelles are built for sale in Canada. *—Estimated.

Chrysler Corp. produced 1,800 units last week, a 21.21-percent increase over the previous week. American Motors had a 26.56-percent increase, with production of 405 units. Volvo production remained the same with 225 units.

Year-to-date, Canadian auto manufacturers have built 750,-

836 vehicles, a 16.25-percent drop from the 896,547 assembled during the equivalent period last year.

Escorts for Bell fleet

SEATTLE. — Pacific Northwest Bell has ordered 100 Ford Escorts for its fleet.

Upturn noted in Chicago

CHICAGO. — Dealers in the Chicago area see business looking up, but supplies of hot models as a problem at some outlets.

Marty Bennett, Bennett Motor Sales (Dodge), Oak Park, reported that the K-cars are doing well and that the future looks good.

At Ed-N-Sam Motors (American Motors), Chicago, Ed Peters said that all cars are moving.

He said Jeeps and used cars are selling well, too.

Availability of the K-cars is a problem according to Rich

Crandall, of Rich Crandall Chrysler-Plymouth, Joliet.

"There's not sufficient supply especially of the price leaders," he said. "The low priced models aren't available, while we have \$8,000 and \$9,000 models which aren't selling. The future looks good."

The V-8-6-4 Cadillac engine has brought people in to see the new line, according to Fran Whibbs, of Whibbs Cadillac, Aurora. He thinks that the industry has turned the corner and that he's going to see a rise every month.

breaking news

Continued from Page 1

Price tag on regulations: \$11 billion

WASHINGTON. — An internal Office of Management and Budget study says the U. S. auto industry will spend nearly \$11 billion over the next five years to meet fuel-economy, safety and emission regulations. Most of the money, \$9.1 billion, will go for fuel economy. The remaining \$1.9 billion will go for safety and emission control. OMB said most if not all of the \$9.1 billion for fuel economy would have been spent to meet consumer demand for economy.

Proposed ban on Lada is dropped

WASHINGTON. — A move to ban the Soviet-made Lada from the U. S. market—proposed by Senators Tom Eagleton, of Missouri, and Birch Bayh, of Indiana—has been dropped from EPA appropriations. This paves the way for possible import of some 50,000 Ladas next year.

GM recalls 2,600 trucks

DETROIT. — General Motors is recalling 2,600 1980 Chevrolet and GMC "P" model light-duty trucks to correct a potential braking problem. GM said there could be contact between the rear brake hose/pipe assembly and the axle housing. This could result in possible loss of brake fluid and the loss of rear braking action.

TRUCK PRODUCTION IN U. S. †

	Week Ended Nov. 22, 1980	Same Week 1979	Week Ended Nov. 15, 1980	Nov. to Date	Jan. 1, to Nov. 24, 1979	Jan. 1, to Nov. 22, 1980
CHEVROLET.....	13,754	11,231	13,178	39,792	898,163	419,426
DODGE/Plymouth.....		2,828	120	3,230	293,912	108,982
FORD.....	16,088	10,805	16,291	48,181	963,354	529,758
GMC.....	5,382	3,164	4,901	15,396	312,943	136,140
INTERNATIONAL.....	1,730		1,704	4,024	115,642	58,729
MACK.....	460	443	448	1,328	33,765	20,917
JEEP.....	1,740*	1,785*	1,740*	5,220*	173,504*	72,641*
AMC CORP.....	85*	270	85*	255*	20,055*	7,701*
VOLKSWAGEN.....	650		689	1,886		24,664
MISCELLANEOUS.....	500*	650	500	1,500	37,500	34,625
Total Trucks, U. S.	40,389	31,176	39,656	20,812	2,848,890	1,413,583

CANADIAN TRUCK PRODUCTION

	Week Ended Nov. 22, 1980	Same Week 1979	Week Ended Nov. 15, 1980	Nov. to Date	Jan. 1, to Nov. 24, 1979	Jan. 1, to Nov. 22, 1980
CHRYSLER CORP.....			1,001	2,443	50,736	45,152
FORD MOTOR.....	3,660	4,438	1,001	8,810	203,070	159,297
GENERAL MOTORS.....	6,690	3,924	3,205	16,284	282,571	211,747
AMERICAN MOTORS.....		1,058	6,304	6,304	48,726	18,127
INTERNATIONAL.....	295	378	299	897	19,062	14,489
MACK.....	40	100	24	104	3,542	1,883
Total Trucks, Canada.....	10,685	9,898	11,834	34,842	587,707	450,695
N. American Trucks.....	51,074	41,074	51,490	155,654	3,436,547	1,864,278

†—Now includes window van production. *—Estimated.

Jeep includes commercial vehicles only. All General includes government-destined vehicles.

Truck production shows rise on overtime at GM

Overtime at two General Motors plants last week pushed U. S. production above both last week's and year-ago levels.

Scheduled output last week was 40,389, up 1.84 percent from the 39,656 completed the previous week, and up 29.55 percent from the 31,176 assembled in the year-ago Thanksgiving week.

Chrysler Corp.'s Warren truck plant has been down for the last two weeks to balance inventories but that point was slated to resume operations today (Nov. 21). However, the line speed has been cut from 640 units a day to 320.

Ford also had one line closed at its Kentucky truck plant last week to cut inventories. That line builds the big CL-3. That line reopens today.

GM scheduled Saturday overtime last week at two plants: Fremont and Baltimore. Overtime at the Baltimore plant was also scheduled the previous week.

Year-to-date production through Nov. 22, was 1,413,583, down 50.38 percent from the 2,848,840 completed in the comparable 1979 period.

Canadian output rises in wake of holiday shutdown

Canadian auto production increased last week, due to the reopening of Ford Motor Co., which had been closed Nov. 10, for Remembrance Day.

Last week's scheduled industry output of 20,726 was up 6.92 percent from the 19,384 built the previous week, and up 18.40 percent from the 17,504 assembled during the comparable 1979 week.

Ford's output of 5,440 was 16.93 percent above the previous week. General Motors output increased 1.21 percent last week with a total of 12,856.

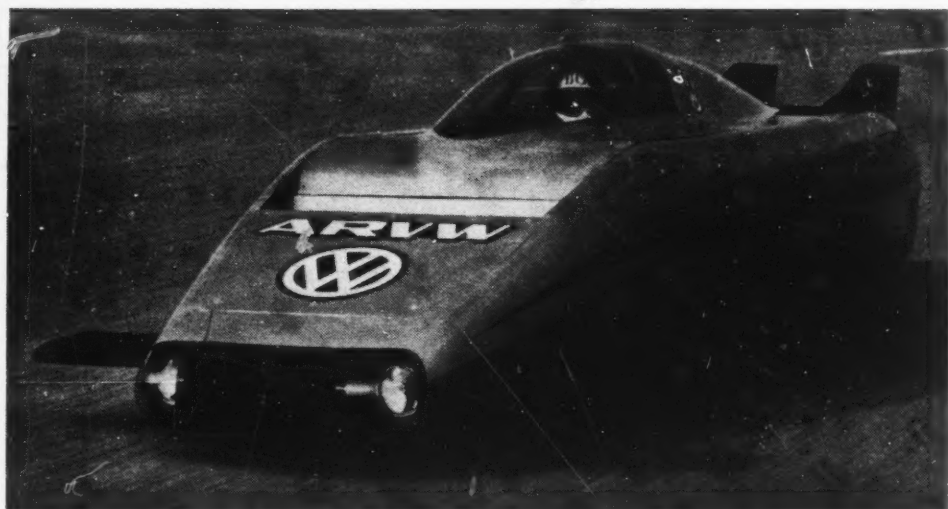
Automotive News

Detroit, December 1, 1980

© Entire contents copyright, 1980, by Crain Automotive Group, Inc. All rights reserved. Reproduction or use of editorial content in any manner without permission is strictly prohibited.

56th year—\$35 per year, \$1.00 per copy

Fast, but stingy



Volkswagen research vehicle gets 39 MPG at 155 MPH

Aerodynamic Research Volkswagen (ARVW) has set eight world speed records for diesels, including 215.79 MPH for 100 miles. A fuel check showed 39 MPG at 155 MPH. One record was a one-hour stint at 219.47 MPH. The engine is a standard VW six-cylinder diesel with turbocharger and

intercooling, putting out 175 HP. The transmission was taken from an Audi 100. Including front wings and rear fins, the 197-inch body has a drag coefficient of 0.15. The car has a 98.4-inch wheelbase. Top speed for one full lap at Fiat's Nardo test track was 224.85 MPH.

U.S. paper urges a new approach to saving energy

By Helen Kahn
Washington Bureau Chief

WASHINGTON.—A draft Energy Department strategy document — now being circulated within the auto industry — concludes that cooperation between government and industry is essential to save as much energy as possible and to lessen dependence on foreign oil.

The chapter on transportation, obtained by AUTOMOTIVE NEWS, is expected to be sent to the current assistant secretaries for energy conservation and solar energy. It is thought likely to be used by the transition team of the Reagan Administration, at least for a glimpse of internal broad policy guidance suggested by energy experts to mitigate future energy shortages.

The document also stands in sharp contrast to the so-called Sawhill Project — a DOE-sponsored, broad investigation into the energy conservation potential in all sectors of the economy and lifestyle. Named for former DOE Deputy Secretary John Sawhill but now referred to as the SERI project (for the Solar Energy Research Institute, a private consulting organization in Colorado coordinating the project), it suggested in its draft that a CAFE standard of 80 MPG by 1995 could be achieved by a drastic shift in vehicle size and wholesale application of known fuel economy technologies.

This current internal DOE strategy document has no firm recommendations on future fuel economy standards.

- Highway transport now accounts for 79 percent of total transportation use of energy and by 2000 will still account for 73 percent. Truck consumption — 31 percent in 1980 — will be 39 percent by 2000. While auto fuel

use will decline in the '80s, it will gradually increase to its 1980 level by 2000. Trucks therefore are targeted as an increasingly important target.

The way vehicles are used, the document says, afford ways to save energy — car and vanpooling, preferential traffic control — a possible savings of between 1.4 to 2.1 percent. In long-haul efforts, increased use of piggy-back rail is greatly more efficient.

The potential for energy savings from car to bus in urban areas is about 2 percent by 1990. Improving driver behavior and traffic control can have an immediate payoff of between 9 and 15 percent, although it drops to about half that over time.

More can be done by training truck drivers and by increasing loads on trucks and buses, reducing empty backhauls, and better matching size to load in trucks, trains and aircraft.

Telecommunications / computers can be used to improve efficiency and even to substitute for vehicle use.

As for increased auto efficiency, DOE strategy planners tote up savings from downsizing and improvements in drivetrains and say the auto makers believe they can surpass the 1985 goal of 27.5 MPG and reach a 31 MPG CAFE. No recommendation is made for a higher level.

But over the next decade, "very significant" savings can be made for trucks — perhaps as much as 40 percent — by turbocharging diesels, lowering trailer weight and aerodynamic drag, adding lead speed governors, decreasing engine size, lowering axle ratios, using radial tires, and declutching fans.

One of the most important points made by the analysis is that gasoline prices must rise —

Continued on Page 38, Col. 1

Retiring GM chairman still bullish on auto business

Murphy sees 11 million for 1981

By Robert W. Irvin
Editor-at-Large

General Motors Chairman Thomas A. Murphy believes the current runup of interest rates is a temporary thing and Americans will buy close to 11 million new cars next year.

That is the most bullish forecast for 1981 by a U.S. auto executive. Others have talked about sales in the 10 million

range next year, which would be up from 9 million this year.

Murphy has always been more optimistic than his competitors. But more often than not, he has been closer in his forecasts.

This was his last forecast as GM's chief executive. Today he began his final month as GM chairman. He retires at the end of December, to be succeeded

by Roger B. Smith.

There is no transition at GM of the sort that is going on now in Washington.

"It is somewhat different here because the organization is essentially the same," Murphy said in an AUTOMOTIVE NEWS interview. "There will be two people moving out at the top in December and January and there will be some opportunities then to regroup our forces."

He was referring to the retirement of GM President E. M. Estes in January. Estes will be succeeded as president by F. James McDonald.

Both Smith and McDonald are now executive vice presidents and the "regrouping" Murphy referred to will be the elevation of other executives to those jobs.

At least some of those decisions could be made today at the December meeting of the GM board of directors, or they could be deferred until the January meeting. The likely successor to Smith as executive vice president — finance is David Collier, now finance group vice president.

- Asked how the power shifts at the top of GM, Murphy said "some things come along which are addressed to the chairman. I send them over to Roger and tell him this is something he will have to struggle with and we should sit down and talk about."

And, he added, "I haven't found any letup in my activity." He looked at his desk which was piled with papers, although not as high as a reporter had seen it on other visits.

In a few weeks, Murphy will vacate the chairman's corner office on the 14th floor of the GM

Continued on Page 40, Col. 1

RV industry confident of better times in '81

By Jack Walsh
Truck & RV Editor

Anyone looking for optimists probably wouldn't expect to find many of them in the battered recreation-vehicle industry. But they'd be wrong; there are a lot of them and they are confident of better times in 1981.

Sales took a turn for the better in the third quarter, and with dealer inventories at their lowest levels in more than a decade, manufacturers are looking for an upturn in orders that will keep them busy well into spring.

Factory shipments in September, the latest month for which figures are available, were up for the fourth consecutive month and they were highest since Oc-

tober, 1979, according to the Recreation Vehicle Industry Assn.

The RVIA, which is holding its 18th annual product show and business meetings this week in Louisville, also reported that one of the nation's largest banks is predicting an increase in factory shipments in the coming year.

Optimism in the banking community is a significant development, since lending institutions generally have a long history of RV skepticism.

Dr. Raymond Jallow, chief economist for United California Bank — which RVIA says is the 15th largest in the U.S. and the fifth biggest in the state — has

Continued on Page 38, Col. 1

breaking news

Chrysler launches advertising blitz

HIGHLAND PARK, Mich.—Chrysler is launching a heavy TV, newspaper and magazine campaign beginning today, featuring price and value leadership of its K-cars, Omni and Horizon Misers and others, like the Dodge Colt featured in California. K-cars are highlighted at \$6,995 with the "optional equipment features America wants" included. Newspaper and spot TV is in 23 markets. A five-page magazine spectacular will run in five major news weeklies. Kenyon & Eckhardt handles.

Regular gas in Denmark: \$3.11 per gallon

COPENHAGEN.—Danish motorists are paying \$3.11 per gallon for regular gasoline—the highest price in Europe. Next in line are Portugal, Italy, Belgium, Sweden and France—all above \$2.80. Premium fuel is most expensive in Portugal at \$3.26 per gallon. Diesel fuel is cheapest in Italy at \$1.37 a gallon, but Italy does not allow trucks to cross into neighboring countries with full tanks.

See BREAKING NEWS, Page 43, Col. 1

GTV due in U. S. next spring

New Alfa to push fast-car image

By Kathleen Hamilton
News Editor

ARESE, Italy. — Alfa Romeo plans to bring its new, top-of-the-line performance car, the GTV 6 2.5, to U.S. dealerships by March.

The new model is part of a push by the company to emphasize its fast-car image both in Europe and the U.S. Simultaneously, it has wooed Mario Andretti away from Lotus to head its Formula One race team.

The GTV 6 2.5 — for Gran Turismo Veloce, six-cylinders, 2.5 liters — is powered by the same V-6 that is fitted in the Alfa sedan in Europe.

Indirect electronic fuel injection has been added, and the front end of Europe's four-cylinder version of the GTV has been lifted for this new lineup leader. Alfa officials foresee an introductory price tag in the \$16,000 region.

The GTV 6 carries the burden of Alfa Romeo's short-term sales hopes in the U.S., and plays a similar role in Europe.

Alfa's U.S. sales for the first ten months of 1980 were 2,801, down 20 percent from the same period of '79 and running far short of the 6,712 sold in 1977, the record year for Alfa in the U.S.

Alfa's U.S. sales trend has certainly run counter to those of most other imports in the post-oil-embargo period, whether because of its performance image or a less-than-full commitment to the U.S. market.

• Alfa says it now has made that commitment. The recent appointment of Joseph R. Dent, a 29-year ex-Ford man, to head the U.S. operation and to advise the parent firm on the U.S. market, was part of the new emphasis.

Alfa is also organizing a committee to visit the U.S. on a regular basis to assess the market, according to Gianfranco Bellandi, Alfa chairman.

It also plans to build "two or three" new sports car which are to be introduced to the U.S. by 1985. Under consideration are a replacement for the two-seat Pininfarina-bodied Spider, a coupe and a targa-roof sporty car.

Product plans call for a continuation of the rear-drive, front-engined Alfa for the U.S., Bellandi said, but Dent added that a mid-engine version of the smaller, sporty Alfasud is also under the microscope as a potential U.S. car, perhaps as the Spider's replacement. Both the

forthcoming Spider replacement and the coupe are targeted at the \$13,000 price range (1981 dollars).

Alfa plans to ship 1,500 of the new GTV 6 to the U.S. in 1981, and hopes to be selling them at an annual rate of 2,500 by the end of calendar '81.

• It anticipates its corporate lineup in the U.S. will be selling in the 8,000 range before introduction of the new models in 1984-85, Dent said. An earlier projection of a 20,000 annual sales in the U.S. applies to the end of the century, he said.

If Alfa's U.S. sales hold to projections, it means good news for current dealers — the firm says it plans to increase dealers' numbers only slightly during the same period.

Dent said the firm has launched a dealer action plan, with market segmentation studies underway, to determine where to put the new Alfa deals.

The firm lost 25 outlets in the first half of this year.

Service training on the new GTV 6 will begin in mid-December, Dent said. The six-cylinder engine will be used exclusively in the GTV in the U.S. in 1981, he said.

The GTV will replace the four-cylinder Veloce Sprint in the U.S.

• The U.S., UK, France and Germany will be its main markets—not Italy, where the car is subject to a 35-percent tax. But Alfa sees the car as an "emblem"—a reminder of Alfa's racing tradition — throughout Europe.

The U.S. version weighs in at 2,800 pounds, and puts out a maximum of 154 HP— six HP short of the European version.

The European version has a 0-100 kmh (62 MPH) time of 8.3 seconds, and a top speed of 128 MPH, according to Alfa.

EPA rates the U.S. version at 17 MPG city, 28 MPG highway and 21 MPG in the combined cycle.

Leather interior, mag wheels, air conditioning and power windows are being considered as standard for the initial U.S. GTV 6s.

Gearbox is a five-speed manual. The car has rack-and-pinion steering, independent front suspension and a De Dion rear axle.

Wheelbase is 94.5 inches; overall length, 168 inches; width, 65.5 inches. Color choices are three: Red, metallic gray and black.

CARS is renamed Dyatron Corp.

BIRMINGHAM, Ala. — CARS — Computerized Automotive Reporting Service — has changed its name to Dyatron Corp. to reflect its recent entry into non-automotive fields.

The computer services vendor said its primary clients will continue to be auto dealerships, but sales to other vehicle and equipment dealers are expanding. The company recently acquired General Computer Services, Inc., which offers computerized payroll and investment systems to banking institutions.

The company also announced operating divisions—Dealer Systems Division, General Systems Division, Dyatron Canada, Dyatron Europe and Dyatron Australia.



Alfa leader for Europe and U.S.

Alfa Romeo plans to replace its Sprint Veloce in the U.S. with its European top-of-the-line GTV 6 2.5 this spring. The sporty four-seater features a six-cylinder, 2.5-liter, electronically fuel-injected engine; front spoiler; black plastic moldings around wheel arches; new tail lights; magnesium wheels, and electrically controlled exterior mirror. It is expected to be priced around \$16,000.

Mid-November car sales up slightly over 1979 total

By Jenny L. King
Staff Writer

Mid-November domestic new-car sales edged above the year-ago level and hinted a promise of the long-awaited, albeit slow, recovery the U.S. auto makers have been predicting.

Nov. 11-20 sales totaled 213,235, up 1.40 percent over 210,284 in 1979. With nine selling days this year, the daily rate of 23,693 was 9.86 percent below the 26,286 average for eight days last year.

Year-to-date sales pushed toward the six million mark, reaching 5,954,515, down 21.13 percent from 7,549,311 a year ago.

On a year-to-year basis, two of the five major U.S. auto makers were up for the period. Chrysler Corp. sales climbed 10.95 percent, to 22,622 from 20,390 (down 1.37 percent on a daily-rate basis). General Motors reported a 3.67-percent sales increase, to 133,890 from 129,147 (down 7.84 percent daily rate).

Ford Motor Co. missed its year-ago level by 4.38 percent, slipping to 48,407 from 50,622 (down 15.00 percent daily rate). Volkswagen of America sold 4,416 U.S.-built Rabbits, down 13.83 percent from 5,125 (down 23.40 percent daily rate), and estimated sales at American Motors were 3,900, down 22.00 percent from 5,090 (down 30.72 percent daily rate).

GM earned 62.79 percent of the mid-November domestic

market, up from 61.41 in 1979. Ford cornered 22.70 percent, down from 24.07 percent. Chrysler sales accounted for 10.61 percent of the market, up from 9.70 percent. VWoA owned 2.07 percent, down from 2.44 percent, and AMC had the smallest piece, 1.83 percent, down from 2.38 percent.

Six domestic makes reported improved sales, led by an impressive 26.13-percent gain for Plymouth. Dodge sales climbed 19.88 percent, Oldsmobile was up 26.85 percent, Buick was up 13.56 percent, Chevrolet was up 2.91 percent and Mercury was up 1.90 percent.

Lincoln topped the losers with its sales drop of 45.45 percent. Cadillac was off 23.28 percent, Chrysler was down 23.18 percent, Pontiac was down 12.93 percent and Ford dipped 1.24 percent.

Two Ford Motor Co. nameplates, Fairmont and Escort, moved into the top-five standings for the period. Chevrolet Citation was first in line, with sales of 11,923 units. It was followed by Chevrolet Chevette at 10,580, Chevrolet Malibu at 10,055, Ford Fairmont at 9,140 and Ford Escort at 8,410. A year ago the top five were standard Chevrolet, Citation, Malibu, Chevette and Fairmont.

Publication picks 3 top auto chiefs

NEW YORK.—The Wall Street Transcript has named what it considers to be the world's three top auto industry chief executives.

They are Thomas A. Murphy, chairman of General Motors; Lee A. Iacocca, chairman of Chrysler Corp., and Harvey Lamm, president of Subaru of America, Inc.

The Transcript is principally subscribed to by brokerage houses, financial institutions and investors.

Honda is fifth deal for Braman in Miami

MIAMI. — Norman Braman has opened a Honda dealership here.

It is his fifth dealership. The others handle Cadillac, Rolls-Royce, BMW and Toyota cars, as well as special classic models.

Star of dealer's Oktoberfest almost misses the show

POMPANO BEACH, Fla.—Rudy Kraft put on his own auto show here recently: It was known as the Oktoberfest. And his 1981-model Mercedes-Benz 300-SD, flown in from Germany via Lufthansa, barely arrived in time to be shown to hundreds of invited guests at Autohaus.

The scene was set at the dealership for a gala festival of German wurst, Beck Bier, sauerkraut, soft drinks and a German band when Kraft learned from Mercedes-Benz of North America that he would not have a new car for his fest.

With 5,000 invitations in the mail, Rudy Kraft wouldn't give up. He telephoned Stuttgart several times before locating one new 300-SD which he had purchased on the European Delivery Plan.

Many calls later, Kraft received word from Stuttgart that the new Mercedes would be trucked to Frankfurt, at which point it could be picked up for air-freight to the U.S.

The rest of the story is now history, but thanks to Lufthansa, which flew the Mercedes to Kennedy Airport, New York, and Kraft's son who, with a friend, drove the new car non-stop to Pompano Beach, all was perfect for the wave of guests who spilled into the Autohaus showrooms — everyone prompt for the big event.

The only U.S. dealer at the time with a new Mercedes W-126 (300-SD) fed more than 12,000 guests with 2600 German franks, thousands of Cokes, 15 kegs of beer, gallons of sauerkraut and lots of oompa from a German band.



In time for the show

The first of the new Mercedes 300-SD models in U.S. dealers' hands was this one, air-freighted and hand-delivered to Rudy Kraft's Autohaus in Pompano Beach, Fla. Some 12,000 guests arrived shortly after the car to enjoy the sneak preview, along with German beer, sausage and sauerkraut.

DOMESTIC SALES

	Nov. 11-20, 1980	Nov. 11-20, 1979
AMERICAN MOTORS ..	3,900†	5,000†
Chrysler	4,652	6,056
Imperial	359	—
Plymouth	8,627	6,840
Dodge	8,984	7,494
CHRYSLER CORP.	22,622	20,390
Ford	34,169	34,599
Mercury	11,830	11,609
Lincoln	2,408	4,414
FORD MOTOR	48,407	50,622
Buick	23,601	20,783
Cadillac	7,474	9,742
Chevrolet	56,003	54,420
Oldsmobile	26,544	20,925
Pontiac	20,268	23,277
GENERAL MOTORS	133,890	129,147
VOLKSWAGEN	4,416	5,125
INDUSTRY TOTAL	213,235	210,284

†—Estimate.